

## COMMUNITY DEVELOPMENT AND HOUSING

### Patricia M. Cole

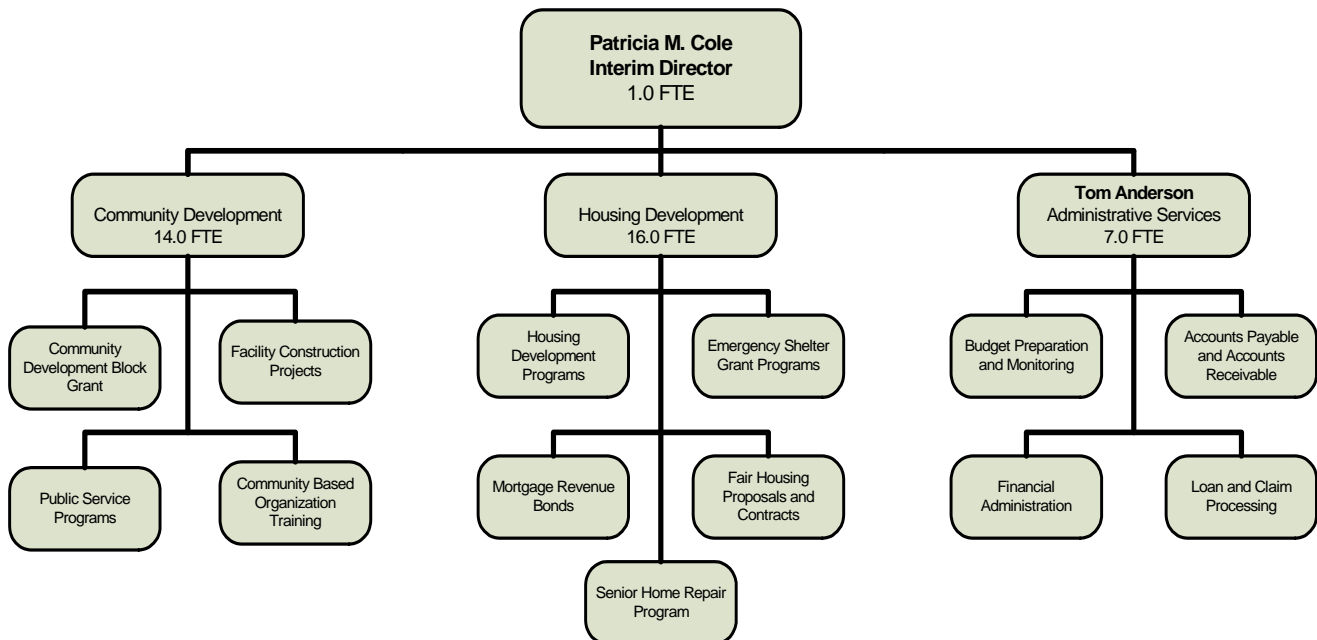
#### MISSION STATEMENT

Community Development and Housing Department is a diverse team that utilizes experience and knowledge to achieve a better quality of life for county residents by providing quality programs and services. In addition, the department is a good steward of the Public Trust, effectively and efficiently delivering community development and housing program resources.

#### STRATEGIC GOALS

1. Develop and coordinate the consolidated plan process for obtaining the Home Investment Partnership Act (HOME), the Emergency Shelter Grant (ESG), and the Community Development Block Grant (CDBG) entitlement formula grants.
2. Sub-grant CDBG and ESG funds to county departments, cooperating cities and non-profit agencies for programs and projects benefitting low-and moderate-income persons.
3. Prepare an annual performance report covering the consolidated plan grant programs for submittal to the Department of Housing and Urban Development (HUD).
4. Communicate useful and timely information to other agencies and to the general public to inform them about grant and loan resources available to meet community and housing needs.
5. Implement affordable housing programs for construction of new housing and rehabilitation of existing housing, and provision of emergency shelter for homeless persons.

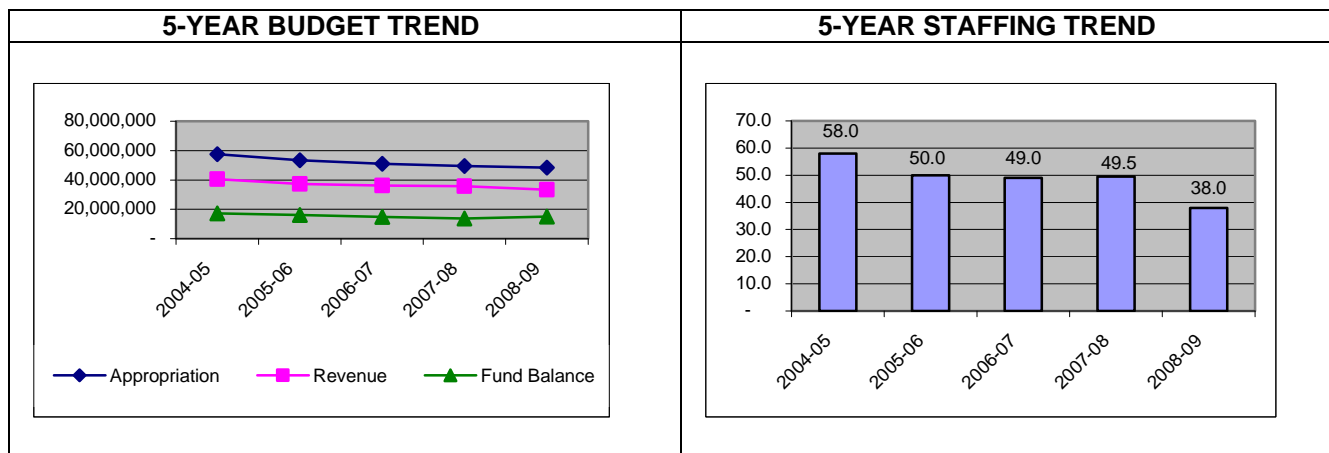
#### ORGANIZATIONAL CHART



## DESCRIPTION OF MAJOR SERVICES

The Department of Community Development and Housing (CDH) is responsible for administering federal, state, and local grant funds allocated to the County of San Bernardino for housing and community development programs. Federal funds comprise a large percentage of the total monies included in the Department's budget through the Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG), the Home Investment Partnership Act Grant (HOME), the Neighborhood Initiative Grant (NI), the Disaster Recovery Grant (DRI), and the Economic Development Initiative Program Grant (EDI). The funding for the NI and EDI grants has diminished and Fiscal Year 2008-09 will be the last year the Department will be able to provide services under these two grants. Also, the DRI grant funding ends in April of 2009.

## BUDGET HISTORY



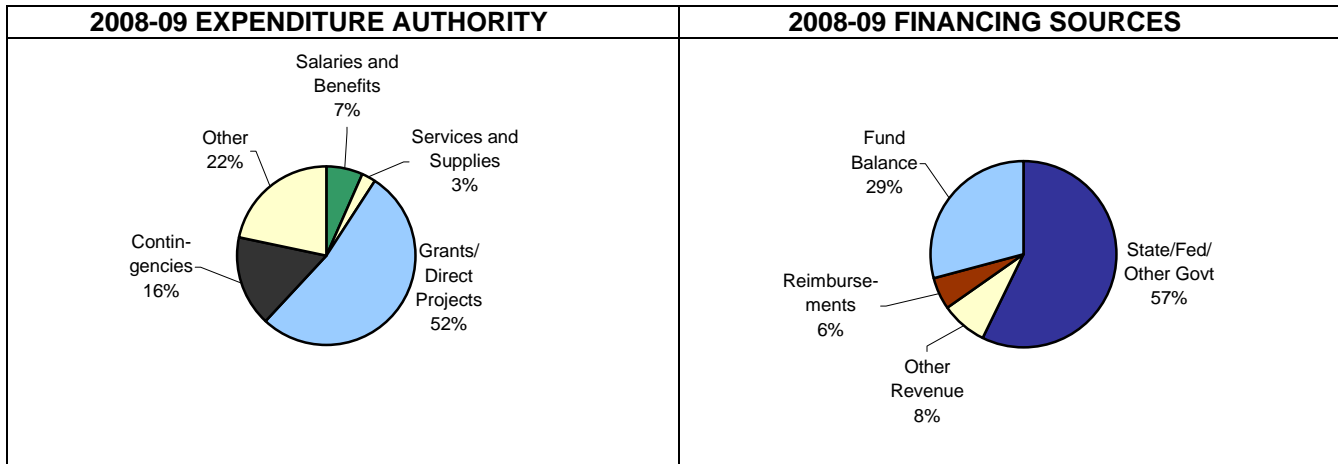
## PERFORMANCE HISTORY

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Estimate
Appropriation	24,335,828	24,763,111	25,635,360	49,461,751	17,170,715
Departmental Revenue	22,338,903	23,440,212	22,825,734	35,761,315	18,436,756
Fund Balance				13,700,436	
Budgeted Staffing				49.5	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, expenditures in this fund are typically less than budget. Most of CDH's revenue is from federally funded grants that are for longer than one year, thus revenue is under realized for each individual fiscal year, but totally realized over the period of the grants. The unexpected and unrealized amounts in 2007-08 have been carried over to the subsequent year's budget.

The performance history for the CDH budget represents a decrease in actual funding over the past 4 years. This is a result of the decrease in grant funding over the years in the CDBG, HOME, and ESG grants that make up the biggest part of the budget. This reduction in grant funding reduces the amount of revenue received by the department.

## ANALYSIS OF PROPOSED BUDGET



GROUP: Economic Development  
 DEPARTMENT: Community Development and Housing  
 FUND: Community Development and Housing

BUDGET UNIT: ECD Consolidated  
 FUNCTION: Public Assistance  
 ACTIVITY: Other Assistance

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Estimate	2007-08 Final Budget	2008-09 Proposed Budget	Change From 2007-08 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	3,780,253	3,634,300	3,441,243	3,115,125	4,233,661	3,393,694	(839,967)
Services and Supplies	1,408,385	1,444,425	1,578,342	877,656	5,314,939	1,238,186	(4,076,753)
Grants/Direct Projects	15,561,680	16,579,071	13,980,687	9,580,000	22,059,600	27,032,594	4,972,994
Central Computer	45,171	49,817	54,454	47,077	56,934	50,417	(6,517)
Travel	-	-	-	-	-	29,000	29,000
Other Charges	-	-	-	-	-	20,000	20,000
Equipment	-	39,463	24,972	-	-	-	-
L/P Struct/Equip/Vehicles	-	-	-	-	-	52,000	52,000
Transfers	5,187,319	5,306,274	6,148,674	5,750,557	12,010,240	10,680,605	(1,329,635)
Contingencies	-	-	-	-	7,986,699	8,394,120	407,421
Total Exp Authority	25,982,808	27,053,350	25,228,372	19,370,415	51,662,073	50,890,616	(771,457)
Reimbursements	(3,080,866)	(3,484,053)	(3,311,338)	(2,699,700)	(3,964,701)	(2,908,700)	1,056,001
Total Appropriation	22,901,942	23,569,297	21,917,034	16,670,715	47,697,372	47,981,916	284,544
Operating Transfers Out	1,433,886	1,193,814	3,718,326	500,000	1,764,379	432,092	(1,332,287)
Total Requirements	24,335,828	24,763,111	25,635,360	17,170,715	49,461,751	48,414,008	(1,047,743)
<b>Departmental Revenue</b>							
Taxes	88,230	32,482	85,638	53,000	40,000	40,000	-
Fines and Forfeitures	4,060	3,274	4,668	3,000	3,000	2,000	(1,000)
Use Of Money and Prop	688,908	730,660	1,067,055	1,155,805	757,500	1,024,200	266,700
State, Fed or Gov't Aid	16,545,488	17,579,128	15,487,219	13,580,000	31,066,026	29,389,348	(1,676,678)
Current Services	-	4,735	-	-	-	-	-
Other Revenue	5,012,217	5,085,564	6,181,154	3,644,951	3,894,789	2,991,983	(902,806)
Other Financing Sources	-	4,369	-	-	-	-	-
Total Revenue	22,338,903	23,440,212	22,825,734	18,436,756	35,761,315	33,447,531	(2,313,784)
Fund Balance					13,700,436	14,966,477	1,266,041
Budgeted Staffing					49.5	38.0	(11.5)

Salaries and benefits of \$3,393,694 fund 38.0 budgeted positions. There is a reduction of \$839,967 primarily due to the elimination of 11.5 positions that have become vacant over the past year. These positions include: 1.0 Office Assistant II, 2.0 Fiscal Assistants, 2.0 ECD Specialist I, 2.0 ECD Technician, 1.0 Secretary I, 0.5 Public Service Employee, 3.0 ECD Analyst II. The reduction of funding from federal grants requires that the department delete vacant positions that have not been filled. The workload from these positions was reduced or reassigned to other staff members.



Services and supplies of \$1,238,186 represents charges related to equipment needs, communication expense, general office expense, costs for publications, and special department expenses. The overall decrease of \$4,076,753 is primarily the result of an accounting change in the Inland Valley Development Agency (IVDA) fund of \$3.2 million plus a reduction of \$500,000 in the IVDA fund balance. The department moved the amount budgeted in the prior year for professional services into the grant and direct projects category to allow for housing development projects. In addition, CDH anticipates a reduction of \$376,753 in miscellaneous expenditures.

Grants and direct projects of \$27,032,594 represent the bulk of CDH's expenses. These expenses generally consist of contracts with other government, nonprofit, or private businesses to provide community development and housing assistance for low and moderate income citizens of the County of San Bernardino. The increase of \$4,972,994 was primarily caused by the accounting change in the IVDA Fund of \$3.2 million and the additional one-time IVDA funding of \$1.7 million.

Travel is a new appropriation unit for 2008-09. The amount budgeted of \$29,000 reflects anticipated travel costs in the areas of private mileage, air travel, hotel, car rental and conference fees for this budget unit. These costs were based on departmental analysis of past travel related expenses previously budgeted in the services and supplies appropriation unit.

Other charges of \$20,000 represents the interest charges expected with the lease purchase of office furniture. This is the first year of a seven year lease purchase.

Equipment of \$52,000 represents the principal payments expected with the lease purchase of office furniture. This is the first year of a seven year lease purchase.

Transfers of \$10,680,605 primarily represent interdepartmental transfers from CDH's grant funds to its administrative fund. It, also, represents transfers to other departments for services provided on behalf of CDH. The decrease in transfers of \$1,329,635 is primarily related to the reduction of staff charges due to the completion of CDBG public service projects in 2007-08 and the reduction in budgeted staff.

Contingencies of \$8,394,120 represent the amount of grant funding that we anticipate will not be obligated this fiscal year. The increase of \$407,421 was the result of the grant fund balance changes from last year.

Reimbursements of \$2,908,700 represent interdepartmental reimbursements to the CDH administrative fund for staff charges. The decrease of \$1,056,001 primarily represents the reduction of staff reimbursements from the HOME projects (\$310,000) and the NI program (\$700,000). The majority of the NI staff was either reassigned to other programs or vacancies were eliminated as the program is anticipated to be completed in 2008-09.

Operating transfers out of \$432,092 decreased by \$1,332,287 due primarily to the planned reduction of CDBG construction projects completed by the Architecture and Engineering Department.

Departmental revenue of \$33,447,531 generally represents grants received from HUD, which include CDBG, HOME grant funds, and ESG. In 2008-09, CDH anticipates receiving \$12,292,000 from HUD as well as \$3,000,000 from the State Department of Housing and Community Development for the Cedar Glen Water/Road Improvement Grant. The remaining \$18,155,531 in revenue primarily represents funding for previously approved federal grant projects that have not been completed. CDH has seen a decrease of \$2,313,784 that includes a planned reduction in HOME loan payoffs and a reduction in grant funding balances due to completion of some grant projects and the sun-setting of other grants. This reduction includes a \$902,806 decrease in planned program income and a \$1,676,678 decrease in grant funding along with a slight increase in interest revenue.

The fund balance increase in 2008-09 of \$1,266,041 is due to the receipt of a one-time funding of \$1,700,000 from IVDA development zone.

PERFORMANCE MEASURES				
Description of Performance Measure	2006-07 Actual	2007-08 Projected	2007-08 Estimated	2008-09 Projected
Percentage of Emergency Shelter Grant (ESG) "Cold Weather Shelter Program" contracts with non-profit homeless service providers executed within 30 days of completion of RFP and projected start date of each project (14 ESG contracts entered into 2006-07).	100%	90%	100%	100%
Percentage of Community Development Block Grant (CDBG) project Environmental Review Records (ERR) approved by HUD within ninety (90) days of project approval (100 ERRS approved in 2006-07).	88%	80%	80%	80%
Percentage of Project Implementation/Maintenance and Operation agreements entered within thirty (30) days of ERR completion (107 Project Implementation/ Maintenance and Operation Agreements entered in 2006-2007).	87%	80%	80%	80%
Percentage of Public Service contracts executed within thirty (30) days of the projected start date of each program (116 CDBG Public Services contracts executed in 2006-07).	91%	80%	80%	80%
Percentage of non-profit agencies, cities, and individual homeowners who receive the information they need in order to apply for CDBG, ESG, and HOME funds.	100%	100%	100%	100%
Number of housing units constructed or rehabilitated.	22	20	11	20
Number of low-income families or disabled persons who receive rental housing security deposit and utility payment assistance.	186	200	200	200
Number of low - and moderate-income homeowners who receive loans or grants.	283	250	230	215
Number of families who succeed in buying their new home.	29	20	20	25
Number of emergency shelter nights provided to homeless persons.	25,509	24,000	24,000	24,500
Number of housing projects planned for construction with Prop 63 funds.	N/A	2	0	2
Number of home owners who will receive financial assistance to rebuild their homes that were lost in the 2003 "Old Fire" disaster.	11	10	1	5
Percentage of on-time completion within the designated time frame: CDH completion of initial review of eligible land use services grant applications within thirty (30) days of receipt and completion of reimbursements within thirty (30) days of receipt of claims and approved back up information.	100%	100%	100%	100%
Percentage of on-time completion within the designated time frame: CDH completion of initial review of eligible HRP applications within thirty (30) days of receipt. Rehabilitation activities completed within 12 months of application approval.	95%	100%	100%	100%

